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DEPARTMENT OF AUDITOR-CONTROLLER**

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November 13, 2007

TO: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne B. Burke  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

FROM: J. Tyler McCauley *tm*  
Auditor-Controller

SUBJECT: **SAINT JOHN'S HEALTH CENTER CONTRACT COMPLIANCE  
REVIEW – A DEPARTMENT OF MENTAL HEALTH SERVICE  
PROVIDER**

We have completed a contract compliance review of Saint John's Health Center (St. John's or Agency), a Department of Mental Health (DMH) service provider.

**Background**

DMH contracts with St. John's, a private non-profit community-based organization which provides services to clients countywide. Services include interviewing program clients, assessing their mental health needs and developing and implementing a treatment plan. The Agency's headquarters is located in the Third District.

Our review focused on approved Medi-Cal billings. DMH paid St. John's a provisional rate between \$1.89 and \$4.51 per minute of staff time (\$113.40 to \$270.60 per hour) and \$189.33 per day for services. However, St. John's is reimbursed for their actual costs reported at year end. St. John's contract was for approximately \$2.3 million for Fiscal Year 2006-07.

**Purpose/Methodology**

The purpose of the review was to determine whether St. John's complied with its contract terms and provided the services outlined in their County contract. We also

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evaluated the Agency's compliance with federal, State and County guidelines. In addition, we interviewed Agency staff and a selected number clients or their parents/guardians.

### **Results of Review**

Generally, St. John's provided the services outlined in the County contract. The Agency used qualified staff to perform the services billed and the clients interviewed stated that the services they received from the Agency met their expectations. However, the Agency did not always comply with the provisions of the County contract. For example:

- The Assessments for two (9%) of 22 clients sampled did not describe symptoms and behaviors that are consistent with the Agency's clinical diagnosis.
- The Client Care Plans for 11 (45%) of 22 clients sampled were not complete. For example, ten Client Care Plans contained goals that were not observable and/or quantifiable and one Client Care Plan did not contain goals and planned interventions for each service billed.
- Eight (22%) of 36 Progress Notes reviewed did not describe what the client or service staff attempted and/or accomplished towards the clients' goals, the specific services provided, describe the contribution of each staff person when more than one staff was present during an intervention and/or that the client was questioned about side effects, response to medication and medication compliance.

We have attached the details of our review along with recommendations for corrective action.

### **Review of Report**

We discussed the results of our review with St. John's on June 28, 2007. In their attached response, the Agency indicates the corrective actions they are taking to implement the recommendations in our report.

We thank St. John's management for their cooperation and assistance during this review. Please call me if you have any questions or your staff may contact Don Chadwick at (626) 293-1102.

JTM:MMO:DC

Attachment

c: William T Fujioka, Chief Executive Officer  
Dr. Marvin J. Southard, Director, Department of Mental Health  
Rebecca R. Refuerzo, Executive Director, Saint John's Health Center  
Public Information Office  
Audit Committee

**CONTRACT COMPLIANCE REVIEW  
SAINT JOHN'S HEALTH CENTER  
FISCAL YEAR 2006-07**

**BILLED SERVICES**

**Objective**

Determine whether Saint John's Health Center (St. John's or Agency) provided the services billed in accordance with their contract with the Department of Mental Health (DMH).

**Verification**

We judgmentally selected 36 billings totaling 3,279 minutes from 122,023 service minutes and 5 full-day billings from 69 service days of approved Medi-Cal billings to DMH during November and December 2006. We reviewed the Assessments, Client Care Plans, Weekly Summaries and Progress Notes maintained in the clients' chart for the selected billings. The 3,279 minutes and 5 days represent services provided to 22 program participants.

**Results**

St. John's did not complete eight (22%) of the 36 Progress Notes sampled in accordance with the County contract. Specifically:

- Four (21%) of 19 Progress Notes for Mental Health services reviewed did not describe what the client or service staff attempted and/or accomplished towards the clients' goals.
- Three (8%) of 36 Progress Notes reviewed did not describe the specific services provided.
- Two (40%) of five Progress Notes reviewed documenting services with more than one staff present during an intervention did not describe the specific contribution of each staff person.
- One (20%) of the five Progress Notes reviewed for Medication Support did not indicate that the client was questioned about side effects, response to medication and medication compliance.

The total number of insufficiently documented Progress Notes cited above exceeded the number of Progress Notes reviewed because some Progress Notes contained more than one deficiency.

Assessment and Client Care Plans

St. John's did not complete Assessments for two (9%) of 22 clients sampled in accordance with the County contract. An Assessment is a diagnostic tool used to document the clinical evaluation of each client and establish the client's mental health treatment needs. Specifically, the Assessments did not describe symptoms and behaviors that are consistent with the Agency's clinical diagnosis. The County contract requires the Agency to follow the Diagnostic and Statistical Manual of Mental Disorders (DSM) when diagnosing clients. The DSM is a handbook published by the American Psychiatric Association for mental health professionals, which lists different categories of mental disorder and the criteria for diagnosing them.

In addition, St. John's did not complete the Client Care Plans for 11 (45%) of 22 clients sampled in accordance with the County contract. Specifically:

- Ten Client Care Plans contained goals that were not observable and/or quantifiable.
- Three Client Care Plans did not contain goals that address the clients' needs identified in the Assessment as required by the County contract.
- One Client Care Plan did not contain goals and planned interventions for each service billed.

The number of incomplete Client Care Plans in the examples above exceeds the overall number of incomplete Client Care Plans because some of the Client Care Plans contained more than one deficiency.

Recommendation

1. **St. John's management ensure that Assessments, Client Care Plans and Progress Notes are completed in accordance with the County contract.**

CLIENT VERIFICATIONObjective

Determine whether clients received the services that St. John's billed DMH.

Verification

We interviewed seven participants that the Agency billed DMH for services during November and December 2006.

**Results**

The seven program participants interviewed stated that the services they received from the Agency met their expectations.

**Recommendation**

There are no recommendations for this section.

**STAFFING LEVELS****Objective**

Determine whether St. John's ratios for Qualified Mental Health Professionals staff to the total number of clients in its Day Treatment Intensive (DTI) Program do not exceed the ratio of one staff to eight clients as required by the County contract.

**Verification**

We selected five days that St. John's billed for its DTI Program and reviewed the client sign-in sheets, staff sign-in sheets and staff timecards.

**Results**

St. John's met the staff ratio requirements for all five days reviewed.

**Recommendation**

There are no recommendations for this section.

**STAFF QUALIFICATIONS****Objective**

Determine whether St. John's treatment staff possessed the required qualifications to provide the services.

**Verification**

We reviewed the California Board of Behavioral Sciences' website and/or the personnel files for 19 out of 57 treatment staff employed by the Agency during November and December 2006.

**Results**

Each employee in our sample possessed the qualifications required to deliver the services billed.

**Recommendation**

There are no recommendations for this section.

**SERVICE LEVELS****Objective**

Determine whether St. John's reported service levels varied significantly from the service levels identified in the DMH contract.

**Verification**

We obtained Fiscal Year 2005-06 Cost Report submitted to DMH by St. John's and compared the billed units of service to the units of service identified in the contract.

**Results**

St. John's provided the service levels outlined in the County Contract.

**Recommendation**

There are no recommendations for this section.



Saint John's  
Child and Family  
Development Center

September 25, 2007

TO: J. Tyler McCauley  
Auditor-Controller

FROM: Rebecca R. Refuerzo, LCSW  
Executive Director

A handwritten signature in black ink, appearing to read 'Rebecca R. Refuerzo, LCSW'. The signature is fluid and cursive, with the last name being particularly prominent.

**SUBJECT: SAINT JOHN'S HEALTH CENTER CONTRACT COMPLIANCE  
REVIEW – A DEPARTMENT OF MENTAL HEALTH SERVICES PROVIDER**

Saint John's Health Center strives to ensure quality of care for our clients as well as working with the Los Angeles County Department of Mental Health.

We have been working on our plan to ensure that all of our clinicians are trained and have a clear understanding of the County contract requirements by conducting in-depth trainings for new and old staff. We feel that this along with other updated internal tracking systems to assist our clinicians in fulfilling the paperwork requirements will assist us all in attaining our goal.

As noted in the findings some notes had multiple findings. As this is determined, if clinician is available, we will have specific meetings with the individuals to review and clarify the findings.

Our trainings had already commenced, and will continue, and covered in depth the noted findings with regards to addressing the contribution of each staff participating in the session and to clearly state what was attempted and/or accomplished towards the client's goal.

Supervisors and clinicians along with QA are also reviewing the completed forms for continuity of diagnosis and treatment and clear documentation when assessing the client and determining the care plans.

Our Medical Director along with the help of our updated internal tracking system is working with our psychiatrist to ensure that even if they are not the MD that prescribed the medication, they cover the side effects and complete the objective within the required time frame.